

*Conclusion on Laos.**Delivered 7 July 61* 25X1BACKGROUND ON WATCH COMMITTEE FINDINGS ON LAOS

- I. Elements in the Laotian situation leading to the Watch Committee's conclusion on 5 July that: "There are no developments indicative of a change of Communist objectives or tactics with respect to Laos."

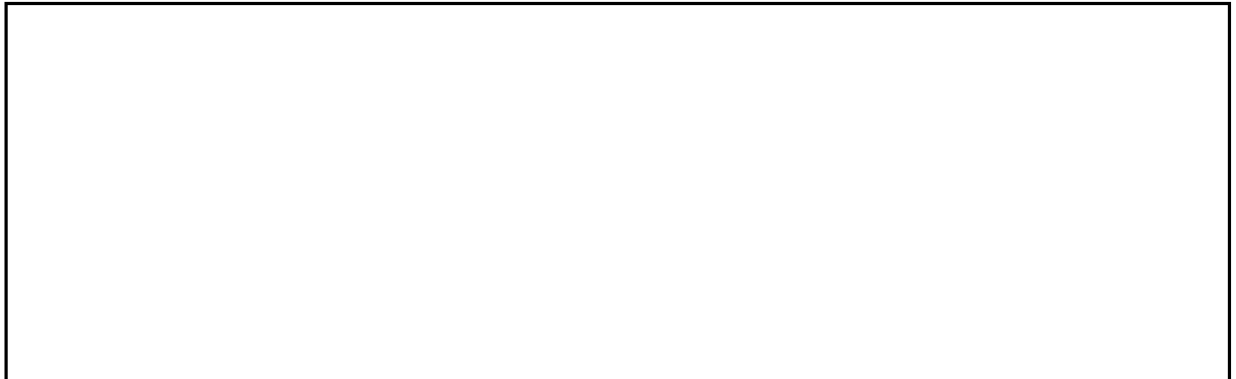
Military:

The continuing general pattern of Pathet Lao/Kong Le ground actions: minor skirmishing, patrol and mop-up actions, apparently directed at consolidating areas under their general control, at registering minor improvements in their position on the ground and at keeping government forces on edge.

Inclement weather, which, in rendering ground movement more difficult, is hindering large-scale ground transport of equipment and supplies to forward elements and could inhibit initiation of major operations.

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Continued absence of firm indications of any Chinese Communist or North Vietnamese military preparations or deployments suggestive of preparations for early direct involvement of their forces--



Political:

The uncompromising Communist position at Geneva that, in effect:

- (a) there must be no effective international supervision of Communist activities in Laos;
- (b) compromises must come from the West;
- (c) a coalition government for Laos must be negotiated with Souvanna Phouma and Souphannouvong on their terms.

This position has been expressed or reflected consistently by bloc statements and actions in Geneva and in bloc propaganda.

The actions and statements of Communist negotiators which reflect considerable confidence that developments in Laos represent a Communist victory.

Public statements by Prince Souphannouvong to the effect that the NLHS is the dominant political force in Laos, and the uncompromising insistence on Souvanna as the head of a coalition government.

Continuation of bloc propaganda in the pattern of recent weeks, which conveys no strident stress on threat to peace and bloc security, despite its continuing charges of foreign military involvement in Laos which could serve as justification for renewed large-scale military operations.

The continuing pattern of performance by enemy negotiators at the Namone talks, basically uncompromising and obstructive, with a public display of a victorious attitude.

The absence of any open and major rift between the major enemy components (Pathet Lao, Souvanna/Kong Le, and Phong Saly groups) despite some continuing indications of differences and even mutual suspicion.

- II. Elements in the Laotian situation leading to the Watch Committee conclusion that: "The ability of the Royal Laotian Government to maintain its cohesion and determination to resist continues to be eroded."

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The depressing effect on RLG morale of the long-range implications of the enemy's generally uncompromising military and political posture. Illustrative of this posture are: continuing enemy military pressure and increasing strength; the enemy's victorious attitude in negotiating sessions and its publicly expressed expectation of a dominant role in a coalition government.

The fears of some principal RLG adherents, with the exception of Phoumi, that the talks among the three princes on the formation of a new government may well lead to a Communist-dominated coalition. Some [] have privately expressed such fears. These fears have probably been fed by similar views expressed by Sihanouk, Sarit and Diem.

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Reported confusion and apprehension by National Assembly members over their own futures.

Reported disappointment of Premier Boun Oum over the outcome of the Zurich talks and future prospects/ []

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The reluctance of the king to assume control of the RLG or to take the initiative in the formation of a coalition government.

The disappointment of Premier Sarit of Thailand, a principal supporter and adviser of the RLG, over US reluctance to make firmer military commitments to the RLG.

These factors are considered fundamentally more important than Phoumi's present state of optimism and confidence following his visit to Washington.